

Details of the scheme

This annual report has been prepared for the Police Superannuation Scheme (scheme) for the year ended 31 March 2023. The manager and trustee of the scheme is PSS Trustees Limited (trustee, we or us).

The scheme is a registered workplace savings scheme. It is a restricted scheme, which means only certain people can join – in this case, employees of New Zealand Police.

The latest product disclosure statement (PDS) for the scheme is dated 30 March 2023, and the scheme is open for applications.

The latest fund updates for each of the funds in the scheme for the year ended 31 March 2023 were made publicly available on 26 June 2023.

The latest financial statements for the scheme dated 21 June 2023 and the auditor's report on those financial statements were lodged with the Registrar of Financial Service Providers on 23 June 2023.

The financial statements and auditor's report, the fund updates and the PDS are available on the offer register and the scheme register at www.disclose-register.companiesoffice.govt.nz and www.policesuper.co.nz.

Information on contributions and scheme participants

This section provides a summary of changes in the membership of the scheme over the year ended 31 March 2023.

| Membership | 31 March 2022 | 31 March 2023 |
|--|---------------|---------------|
| Total contributing scheme participants | 10,872 | 11,147 |
| Total non-contributing scheme participants | 646 | 697 |
| Total scheme participants | 11,518 | 11,844 |

New members and member exits during the year ended 31 March 2023

| | |
|---|------------|
| New members | 857 |
| Transfers from other plans | 0 |
| Other new members | 0 |
| Total new members | 857 |
| Member exits due to: | |
| Retirement (including medical retirement) | 103 |
| Death | 14 |
| Transfers to other schemes | 0 |
| Other reasons, made up of: | |
| Leaving service | 385 |
| Total and permanent disablement | 0 |
| Medical disengagement/serious illness | 5 |
| Redundancy | 0 |
| In-service termination | 24 |
| Total exits | 531 |

| Member accumulations | 31 March 2022 | 31 March 2023 |
|----------------------------|-----------------|-----------------|
| Total member accumulations | \$2,449,359,541 | \$2,383,522,044 |
| Number of members | 11,518 | 11,844 |

| Total contributions to the scheme for the year ended 31 March 2023 ¹ | Total contributions during the period | Number of members who made the relevant contribution |
|---|---------------------------------------|--|
| Member contributions | \$73,720,866 | 11,572 |
| Employer or other sponsor contributions | \$102,482,351 | 11,539 |
| Member voluntary additional contributions | \$4,059,101 | 1,339 |
| Total contributions | \$180,272,079 | 11,652 |

¹ As at 31 March 2023, the scheme had also received contributions of \$9,761 that were unallocated as at balance date. Of these, \$1,341 was subsequently allocated to member contributions and \$1,342 to employer or other sponsor contributions. Contributions for exited members totalling \$7,078 were refunded to payroll.

Changes relating to the scheme

The following is a summary of changes relating to the scheme made during the 12 months ended 31 March 2023:

- On 19 September 2022 and 30 March 2023, the scheme's PDS was amended to update the standard withdrawal fee and first-home withdrawal fee, annual fund charges of each investment option and the risk indicator of the Growth and Super Steps (Age 59) investment options.
- On 21 July 2022, 19 September 2022 and 30 March 2023, the scheme's statement of investment policy and objectives (SIPO) was amended to update the scheme's liquidity policy and investment beliefs, the strategic asset allocation of each investment option and the investment expectations of the High Growth and Growth investment options.
- On 1 January 2023, the standard withdrawal fee and the fee for second and subsequent investment switches in any scheme year were increased from \$72.59 to \$78.21 and the first-home withdrawal fee was increased from \$225.72 to \$243.21. These are part of annual CPI adjustments to those fees under the trustee's administration agreement with Mercer (N.Z.) Limited.

Related-party transactions

No related-party transactions were entered into during the period ended 31 March 2023 that were not on arm's length terms.

Other information for particular types of managed funds

During the period, the following withdrawals were made from the scheme:

| Withdrawal type | Total number of members who made the relevant withdrawal |
|---|--|
| Retirement (including medical retirement) | 103 |
| Leaving service | 385 |
| Redundancy | 0 |
| In-service termination | 24 |
| Death/total and permanent disablement | 14 |
| Medical disengagement/serious illness | 5 |
| First-home withdrawal | 207 |
| Financial hardship | 64 |
| Matrimonial settlement | 27 |
| Partial withdrawal | 2,451 |
| Regular withdrawal | 49 |
| Total withdrawals | 3,329 |

The unit prices for the funds as at 1 April 2022 and 31 March 2023 were as follows:

| Fund | Unit price as at 1 April 2022 | Unit price as at 31 March 2023 |
|----------------------|-------------------------------|--------------------------------|
| High Growth | \$0.9348 | \$0.9176 |
| Growth | \$1.4459 | \$1.3776 |
| Balanced | \$1.3095 | \$1.2540 |
| Stable | \$1.1758 | \$1.1550 |
| Cash Plus | \$1.0695 | \$1.1040 |
| Super Steps (Age 49) | N/A | N/A |
| Super Steps (Age 54) | N/A | N/A |
| Super Steps (Age 59) | N/A | N/A |

PSS Trustees Limited, as manager and trustee of the scheme, confirms:

- all the contributions required to be made to the scheme in accordance with the trust deed have been made
- all the benefits required to be paid from the scheme in accordance with the terms of the trust deed have been paid
- the market value of the scheme property at the balance date equalled or exceeded the total value of benefits that would have been payable had all members of the scheme ceased to be members at that date and had provision been made for the continued payment of all benefits being paid to members and other beneficiaries as at the balance date.

Changes to persons involved in the scheme

The table below sets out what changes were made to persons involved in the scheme during the period ended 31 March 2023.

| Person | Change |
|--|---|
| The trustee and manager of the scheme | None |
| The directors of the trustee and manager of the scheme | Charles Bertram Cahn resigned as a director on 30 June 2022. Ian Howard Russon was appointed chair on 1 July 2022. Sarah Louise Graydon took over from Ian Russon as licensed independent trustee on that date. Grant David Hassell was appointed as a director of the trustee on 22 August 2022. |
| Key personnel of the trustee and manager of the scheme | None |
| Any administration manager or investment manager of the scheme | None |
| The securities registrar, custodian or auditor of the scheme | None |

How to find further information

Further information relating to the scheme, including financial statements, annual fund updates, the scheme's trust deed, the statement of investment policy and objectives, and other material information, is available on the offer register and the scheme register free of charge at www.disclose-register.companiesoffice.govt.nz.

You can also obtain the above information as well as an estimate of your current benefits free of charge by contacting us through the scheme's administration manager at psscheme@mercer.com.

Contact details and complaints

If you have any questions or complaints, please contact us through our scheme secretary:

Derek Vincent
Scheme Secretary
PSS Trustees Limited
PO Box 2897
Wellington 6140
Telephone: (04) 819 2639

We are a member of Financial Services Complaints Limited (FSCL) – a financial ombudsman service. FSCL is our independent external ombudsman and dispute resolution service approved under the Financial Service Providers (Registration and Dispute Resolution) Act 2008.

If you have made a complaint to us and it has not been resolved within 40 days or if you are dissatisfied with the proposed resolution, you can refer your complaint to:

Financial Services Complaints Limited
Level 4
101 Lambton Quay
PO Box 5967
Wellington 6145
Telephone: 0800 347 257

FSCL will not charge a fee to any complainant to investigate or resolve a complaint.

You may also contact Mercer (N.Z.) Limited (the securities registrar) at:

Police Superannuation Scheme
c/o Mercer (N.Z.) Limited
PO Box 1849
Wellington 6140
Telephone: 0800 777 243

